

IN THE UNITED STATES COURT FOR THE
NORTHERN DISTRICT OF ILLINOIS

UNITED STATES OF AMERICA,)	
)	
Plaintiff,)	
)	
v.)	Civil No. 09cv1434
)	Judge Gottschall
NELLIE WILLIAMS, et al.,)	Magistrate Judge Keys
)	
Defendants.)	

STIPULATION AS TO PRIORITY

The plaintiff United States of America, by its undersigned attorney, and the defendant Citifinancial Services, Inc. ("Citifinancial"), by its undersigned attorney, agree and stipulate as follows:

1. The United States filed the above-captioned action, seeking, among other things, to reduce to judgment certain federal tax assessments made against Nellie Williams by the Internal Revenue Service for unpaid federal income taxes, and unpaid federal tax assessments made under 26 U.S.C. § 6672, which went unpaid despite notice and demand on or about the dates of assessment, and to foreclose its federal tax liens against all property and rights to property belonging to Nellie Williams, including her interest in property that is legally described as follows (hereinafter referred to as "the Property"):

LOT 12 IN BLOCK 2 IN WALTER MCKEOWN'S COUNTRY CLUB ESTATES, BEING A RESUBDIVISION OF LOTS 8 AND 9, IN CHAMBERS AND KELLOGGS'S SUBDIVISION OF THE WEST 1/2 OF THE SOUTHEAST 1/4 OF SECTION 1, TOWNSHIP 37 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, (EXCEPTING THEREFROM THAT PART OF SAID PREMISES CONVEYED TO CHICAGO TERMINAL TRANSFER COMPANY BY DEED RECORDED IN THE RECORDER'S OFFICE OF COOK COUNTY, ILLINOIS, ON JULY 25, 1905 AS DOCUMENT NUMBER 3728512, IN BOOK 9061, PAGE 396, ACCORDING TO THE PLAT THEREOF.

2. The United States named as a defendant in the above-captioned action, CitiFinancial, who among others may claim an interest in the Property.

3. The United States, by virtue of its unpaid federal income tax assessments made against Nellie Williams for the tax years ending December 31, 1998, December 31, 1999, December 31, 2000, December 31, 2001, December 31, 2003, and December 31, 2004, claims federal tax liens against all property and rights to property belonging to Nellie Williams, including her interest in the Property.

4. The United States recorded Notices of Federal Tax Lien with respect to federal tax liens described in Paragraph 3, above, with the Recorder of Deeds of Cook County as follows:

Income Tax Period Ending	Date of Notice of Federal Tax Lien	Document Number	Unpaid Balance of Assessment as Reflected in Notice of Federal Tax Lien
12/31/1998	3/12/2002	0020277257	\$10,305.52
12/31/1999	4/15/2005	0510514099	\$5,204.04
12/31/2000	4/15/2005	0510514099	\$856.70
12/31/2001	4/15/2005	0510514099	\$1,860.18
12/31/2003	4/26/2006	0611635349	\$30,653.40
12/31/2004	4/26/2006	0611635349	\$1,575.59

5. The United States, by virtue of its unpaid federal tax assessments made against Nellie Williams pursuant to 26 U.S.C. § 6672 for the quarterly tax periods ending December 31, 2000, September 30, 2001, December 31, 2001, March 31, 2002, June 30, 2002, September 30, 2002, December 31, 2002 and March 31, 2003, claims federal tax liens against all property and

rights to property belonging to Nellie Williams, including her interest in the West 94th Street property.

6. The United States recorded a Notice of Federal Tax Lien with respect to federal tax liens described in Paragraph 5, above, with the Recorder of Deeds of Cook County as follows:

Quarterly Tax Period Ending	Date of Notice of Federal Tax Lien	Document Number	Unpaid Balance of Assessment as Reflected in Notice of Federal Tax Lien
12/31/2000	4/26/2006	0611635349	\$891.00
9/3/2001	4/26/2006	0611635349	\$9,150.61
12/31/2001	4/26/2006	0611635349	\$8,892.23
3/31/2002	4/26/2006	0611635349	\$15,924.17
6/30/2002	4/26/2006	0611635349	\$17,911.32
9/30/2002	4/26/2006	0611635349	\$12,457.57
12/31/2002	4/26/2006	0611635349	\$16,434.01
3/31/2003	4/26/2006	0611635350	\$15,969.26

7. CitiFinancial claims an interest in the West 94th Street property by virtue of a mortgage against the West 94th Street property recorded on June 12, 2006, and used in part to pay off mortgages on the West 94th Street property in favor of Chase Manhattan Mortgage Corporation, and LaSalle Bank, NA, recorded on June 12, 1998, and July 2, 2005, respectively,

8. With regard to the United States' and CitiFinancial's claims of interest in the West 94th Street property described above, the following order of priority applies:

- (A) CitiFinancial's mortgage, as described in Paragraph 7, above, is prior in the amount of \$91,855.99 to the United States' federal tax liens, as reflected in the Notices of Federal Tax Lien, described in Paragraphs 4

and 6, above. The \$91,855.99 amount is equivalent to the funds disbursed by CitiFinancial to Chase Manhattan Mortgage Company to pay off Chase Manhattan Mortgage Company's mortgage on the West 94th Street property recorded on June 12, 1998;

- (B) The United States' federal tax liens, as reflected in the Notices of Federal Tax Liens filed on March 12, 2002, and April 15, 2005, described in Paragraph 4, above, are prior to any claim that CitiFinancial has in the West 94th Street property, beyond the claim of \$91,855.99, referenced in Subparagraph (A) of this paragraph, above. This priority extends to all statutory additions that have accrued and continue to accrue on the tax liabilities from the assessment dates.
- (C) CitiFinancial's mortgage, as described in Paragraph 7, above, is prior in the amount of \$19,100.36 to the United States' federal tax lien, as reflected in the Notices of Federal Tax Lien filed on April 26, 2006, described in Paragraphs 4 and 6, above. The \$19,100.36 amount is equivalent to the funds disbursed by CitiFinancial to LaSalle Bank NA to pay off LaSalle Bank NA's mortgage on the West 94th Street property, recorded on July 2, 2005.
- (D) The United States' federal tax liens, as reflected in the Notice of Federal Tax Lien filed on April 26, 2006, and described in Paragraphs 4 and 6, above, are prior to any claim that CitiFinancial has in the West 94th Street property, beyond the claims of \$91,855.99, and \$19,100.36, referenced in Subparagraphs (A) and (C) of this paragraph, above. This priority extends to all statutory additions that have accrued and continue to accrue on the tax liabilities from the assessment dates.

9. The proceeds of any court-ordered or agreed sale of the West 94th Street property shall be distributed in accordance with the priorities described in Paragraph 8, above.

For Plaintiff United States of America:

For Defendant Citifinancial Services, Inc.:

/s/ Raagnee Beri

RAAGNEE BERI

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